

1. The real property is to be used in the operation of the applicant's trade or business for which the loan and guarantee are sought; and

2. A lien is placed on the real property by the financial institution or the Authority;

(4) The loan shall mature in not more than 10 years from the date of closing of the loan; and

(5) The rate of interest on the loan is no greater than the rate of interest determined by the Authority to be the monthly weighted average of the prime lending rate, plus 2 percent, prevailing from time to time in the City of Baltimore on unsecured commercial loans.

5-1043.

The purpose of the Equity Participation Investment Program is:

(1) [to] TO encourage and aid in the creation and development of franchises and technology-based businesses, and in the acquisition of existing businesses, in the State by socially or economically disadvantaged persons; AND

(2) TO ASSIST SMALL BUSINESSES THAT, BECAUSE THEY DO NOT MEET THE ESTABLISHED CREDIT CRITERIA OF FINANCIAL INSTITUTIONS, ARE UNABLE TO OBTAIN ADEQUATE BUSINESS FINANCING ON REASONABLE TERMS THROUGH NORMAL FINANCING CHANNELS.

5-1046.

(f) If the applicant enterprise is an individual, the applicant shall satisfy the Authority that:

(1) The applicant is of good moral character;

(2) As determined from creditors, employers, and other individuals who have personal knowledge of the applicant, the applicant has a reputation for financial responsibility;

(3) The applicant is a resident of Maryland or the applicant's principal place of business is in Maryland; and

(4) The applicant is unable to obtain adequate business financing on reasonable terms through normal lending channels because the applicant:

(i) Belongs to a group that historically has been deprived of access to normal economic or financial resources because of race, color, creed, sex, religion, or national origin;

(ii) Has an identifiable physical handicap that severely limits the ability of the applicant to obtain financial assistance, but does not limit the ability of the applicant to perform the contract or other activity for which the applicant would be receiving financial assistance; [or]